



SPECIALIZED TREATMENT FACILITY

14426 JAMES BOND ROAD ♦ GULFPORT, MISSISSIPPI 39503-8311
228/328-6000 ♦ 228/328-6035 fax ♦ www.stf.ms.gov
Anastasia "Stacy" G. Miller, M.S., Program Director

April 14, 2016

Mr. Ross Campbell, Director
Office of Purchasing, Travel and Fleet Management
P.O. Box 1060
Jackson, Mississippi 39215

Re: Pharmaceutical Bids

Dear Mr. Campbell:

Specialized Treatment Facility opened Pharmaceutical bids on April 8, 2016 at 1:30 p.m. After reviewing the bids from all pharmacy providers, STF believes Sartin's Discount Drugs should be the selected pharmacy program.

This pharmacy has provided medication for STF at a competitive cost for a number of years, providing seven-day per week deliveries, on-site monthly inspections and has always provided excellent customer service.

For the reasons below, Diamond Pharmacy from Indiana, Pennsylvania does not meet the required criteria:

- Inability to bill Medicaid on behalf of Mississippi residents. Specialized Treatment Facility's Medicaid occupancy rate is currently 90%.
- Inability to deliver stat medications within one hour.
- Backup pharmacy services will be invoiced to STF as an additional cost/pass-through charge.
- On-site pharmacy inspection will be invoiced to STF as an additional cost/pass-through charge.
- Inability to deliver medication seven (7) days per week.

If you have questions, please contact myself or Tanya Goolsby, Fiscal Services Director, at 228-328-6000 ext. 111.

Sincerely,

Anastasia "Stacy" Miller
Program Director



Invoices are formatted as Excel spreadsheets, and you can obtain them by download from our FTP site or by hard copy or via email.

Invoices include the contract number and/or purchase order number. Each line item contains a prescription number, resident name, medication name and strength, quantity dispensed, price, NDC number, date the prescription was dispensed, and prescriber name. Data in the invoices is sorted according to your preferences, such as by resident name, medication name, medication category (psychotropic, HIV, etc.), dispense date, physician, and cost.

Diamond also invoices your facility for any backup and delivery charges in an itemized format.

We check invoices for accuracy prior to sending them to your facility. We correct any overcharge errors and provide explanations.

Third Party Billing

With Diamond's direct third party invoicing, the cost of the respective medications are removed from your budget so you immediately realize cost savings.

Diamond directly invoices private health insurance or other sources of payment when a resident is eligible and when information is provided to Diamond at the time of dispensing.

Diamond will work with the facility to establish a liaison that can provide third party insurance information prior to the dispensing of prescription orders. If this information is available, then Diamond will attempt to bill the claim to the third party on your behalf. Medication claims not paid within 60 days become the responsibility of the facility.

Although we have repeatedly tried to bill Medicaid on behalf of Mississippi residents, our application as an out-of-state vendor has been routinely denied. For these claims, we simply forward the prescription and Medicaid information (provided by your facility at the time of dispensing) to the local backup pharmacy for prescription processing and claim transmission. This process does not add any extra cost to your budget as the claim is filled and adjudicated locally. If the STF wishes to contract with a local pharmacy for only Medicaid prescription processing, while still wishing to have all the operational, technological, and clinical benefits that can be offered only by Diamond, we understand this need and do not take issue with having Medicaid prescriptions dispensed locally.



4. 1-Hour STAT Deliveries

4. Stat medications must be delivered within one hour of order.

Emergency Prescriptions

Emergency prescriptions for STAT orders are provided through Mississippi Board of Pharmacy approved emergency kits or by a pre-arranged, subcontracted local backup pharmacy of your preference.

Local Backup Pharmacies

Emergency medications not found in the emergency medication kit and unavailable from Diamond in sufficient time are provided in a minimum quantity to your facility by a local backup pharmacy in your immediate area. Due to Diamond's size and volume, we have aggressive national contracts with most chain pharmacies and are willing to negotiate with any pharmacy of your choice, as over 99.5% of all retail pharmacies in the United States are already part of our network.

As a family-owned business, we fully embrace the entrepreneurial spirit of local independent pharmacies. In fact, we make every attempt to contract with independent pharmacies when possible. The use of local, independent pharmacies helps provide economic benefits to your local community by supporting local businesses. **If you prefer to use a particular backup pharmacy for emergency services, we can certainly contract with that pharmacy.**

Diamond proposes the following backup pharmacies for your facility:		
Walgreens Pharmacy 15371 Dedeaux Rd Gulfport MS 39503 Open 24 Hours a Day 7 Days a Week	Winn-Dixie 11312 Hwy 49 Gulfport MS 39503 Open 6:00 a.m. – 12:00 midnight 7 Days a Week	Lyman Pharmacy 20006 Hwy 53 Gulfport MS 39503 Mon – Fri 8:30 a.m. – 6:00 p.m. Sat 9:00 a.m. – 1:00 p.m. Closed Sundays

When your facility needs an emergency prescription, your staff faxes or electronically transmits your prescription using Diamond's STAT LINE, which is staffed and available 24/7/365. Upon order receipt, Diamond contacts the backup pharmacy and arranges for the emergency prescription to be available within an hour. Although we will do our very best to have a medication available at the backup within an hour, we also realize that we cannot control or dictate the workflow at that pharmacy at the time we place the backup order on your behalf and guarantee a one-hour turnaround time. As we mentioned earlier, our relationship with our customers is based on trust, and we will not make promises we cannot keep. This is an example of that honesty that is part of the long-term relationships we create with all of our customers.

By submitting STAT/emergency orders to Diamond, you can be sure to receive these prescriptions in the agreed-upon quantities at the agreed-upon, contracted rate. Diamond's ability to provide direct electronic claim transmission from the local backup pharmacy keeps your costs at a minimum and ensures that your facility does not incur a charge if your employees pick up emergency orders.

Emergency prescriptions also can be delivered directly to your facility using the local pharmacy's delivery service or a taxi or courier service that has been pre-arranged by Diamond, at your request.



If phoning Diamond with emergency orders, your staff is immediately transferred to a dedicated customer service technician or a pharmacist who can expedite your emergency/STAT need. If you phone after hours, Diamond's answering service patches your call through to one of our on-site pharmacists we schedule to be on duty 24 hours a day.

Invoices for Backup Charges

The backup pharmacy will invoice Diamond, and Diamond will invoice your facility. The amount of the charge is a discounted rate that is negotiated with the local provider of services through a pharmacy benefits manager. These charges are simply passed through at the negotiated rate, without any additional margin or markup. Charges may include, but are not limited to, the cost of the local pharmacy's prescription, if above Diamond's contract price, plus any delivery, on-call, taxi, or courier charges. Detailed reports of all emergency prescriptions are provided with Diamond's monthly invoice.

5. Injectables

5. Must carry extensive stock of injectables (Haldol, Geodon, Rocephin, Ativan).

With over 12 million prescriptions dispensed annually, we have an extensive inventory on-hand at all times. Diamond's volume and diversity of serviced facilities requires that we maintain a large inventory of prescription and over-the-counter (OTC) medications. Items are rarely out of stock, and we have a 99.7% first-fill rate. This translates into 997 out of every 1,000 orders being filled the first time without delay or being owed. In fact, we receive regular next-day shipments from our pharmaceutical wholesalers. We base our inventory on reporting volume and usage trends, which allows us to have adequate products available for our customers. If we experience a medication shortage, we can borrow medications from one of our two retail pharmacies or from our local pharmacy network, which consists of retail and hospital pharmacies.

If granted a contract award, we will also work with the local backups in your immediate area to ensure they also will stock those medications that may be needed by your facility on an emergency basis—which will include injectable medications that you have a history of utilization.

6. Blister Packaging

6. Must be able to blister-pack all medications.

Blister Cards

Prescription and non-prescription solid, orally administered medications are dispensed in our tamper-proof USP 30-count unit-dose blister cards.

Our blister cards provide a specialized filling system for safe, efficient, and cost-effective medication distribution. They also provide a sanitary delivery system compared with bulk bottles, multi-dose baggies, and vials. Such multi-dose systems can become contaminated with repeated opening and closing. Nurses enjoy the protection, accountability, and ease of delivery offered by blister cards.



13. Monthly Inspections

13. Must provide on-site pharmacy (medication room) inspections on a monthly basis to determine that drug records are in order and that an account of all controlled drugs is maintained and periodically reconciled.

Inspections

Diamond's fully credentialed licensed pharmacist or a locally credentialed Mississippi licensed pharmacist will conduct monthly inspections of the medication rooms located in your facility. The inspection helps to ensure that your facility complies with all relevant federal, state, local, and pharmacy laws and regulations; the Controlled Substance Act; the Mississippi State Board of Pharmacy; Mississippi State statutes; and the Joint Commission requirements and standards.

Our two-page inspection sheet is based on industry, Joint Commission standards, and our 46 years of experience in the LTC industry. Diamond abides by all recommendations set forth by these organizations, as well as all applicable federal, state, and local rules and regulations.

During the inspection, a licensed pharmacist reviews the following:

- ◆ The cleanliness and organization of the medication rooms
- ◆ Medication ordering, charting, documentation, inventory, and record keeping
- ◆ Narcotic and sharps record keeping and counts
- ◆ The presence or absence of outdated, discontinued, or recalled medication
- ◆ Medication distribution and med pass procedures
- ◆ The contents of the emergency (ER) kit and/or crash cart
- ◆ Refrigerator temperature and contents
- ◆ Stock levels
- ◆ The pharmaceutical care of residents
- ◆ Medication utilization and individual therapies
- ◆ Appropriate storage and security of medications and supplies
- ◆ Periodic reviews/stop dates of controlled substances and abusable drugs
- ◆ Presence and appropriate use of formulary
- ◆ Existence of and compliance with appropriate policies and procedures for medications
- ◆ Current reference materials such as the Physicians' Desk Reference (PDR), Nursing Drug Handbook (NDH), poison control center information, do-not-crush lists, etc.

The cost of monthly inspections is simply invoiced to your facility as a pass-through cost, without any additional markup from Diamond.



Emergency prescriptions are filled after-hours by local pharmacies in your immediate area, and we have included a 24-hour Walgreen's in Gulfport that will be able to meet your requirements if an emergency medication is not available in your emergency medication kit(s).

2. 7-Day-a-Week Delivery

2. *Must be able to deliver medication seven (7) days per week.*

All new medication orders are shipped for next-day delivery six days per week with a guaranteed delivery time of 10:30 a.m. Monday through Friday and 12:00 p.m. on Saturdays. A contracted local backup pharmacy processes all emergency orders that require Sunday delivery.

3. Daily Deliveries

3. *At least once per day medication deliveries.*

Routine Order Cutoff Times

New orders are submitted electronically before your daily routine order cutoff times:

- ◆ 2:00 p.m. local time (3:00 p.m. EST/EDT) Monday through Friday
- ◆ 12:00 noon local time (1:00 p.m. EST/EDT) Saturday

Late orders that are needed in your next shipment can be submitted by telephone directly to your order entry technician before:

- ◆ 5:00 p.m. local time (6:00 p.m. EST/EDT)

	Submittal	Delivery
Routine Orders	Prescriptions submitted to Diamond by fax or through Sapphire CPOE by 2:00 p.m. Mon-Fri and by 12:00 noon Sat	Orders delivered to the STF by a package delivery service the next business day by 10:30 a.m. Mon-Fri and 12:00 noon Sat
Emergency Orders	Prescriptions submitted to Diamond by emergency fax, through Sapphire CPOE or by phone for immediate need (including after hours, Sundays, holidays)	Orders filled using the on-site emergency kit or within 1 hour through a contracted local backup pharmacy

If our proposed times do not meet your operational requirements, later cutoff times can be negotiated.



Next-Day Delivery

Orders are shipped for next-day delivery 6 days a week—Monday through Saturday—excluding certain nationally recognized holidays—New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas. Package delivery services do not initiate shipments on Sundays.

Diamond has shipping contracts with all three leading next-day package delivery services—FedEx, UPS, and the U.S. Postal Service (USPS). If for some reason one carrier is not adequate for your facility, Diamond can select another. All shipments are sent requiring a signature at the facility.

Shipment Packaging

Our shipment packaging maintains medications at the manufacturers' recommended specifications. All medications that require refrigeration are shipped in either insulated expander packs or Styrofoam® coolers with a cold pack to ensure proper temperatures. Outer boxes containing refrigerated items are labeled with a fluorescent orange sticker that states, "Refrigerated Items Enclosed." Refrigerated items are not shipped for weekend delivery unless requested.

Shipping Manifest

Every medication shipment contains a detailed computerized delivery manifest listing resident name, prescription number, medication name and strength, manufacturer, quantity dispensed, date dispensed, facility name, and price. If you need additional information on the delivery manifest, we make every effort to accommodate your request.

Controlled substances are packaged in a separate bag containing its own delivery manifest.

Delivery Tracking

All orders are tracked to ensure the timeliness and accuracy of deliveries. Diamond shipping software tracks packages at every destination point. The software provides estimates and confirmations of scheduled and actual delivery times as well as the names and signatures of delivery recipients.

Upon request, Diamond automatically e-mails your facility the FedEx or UPS tracking information, including tracking number and a link to the shipping company's website. Diamond also can establish a special FedEx account for your facility, enabling them to view the delivery status of all packages scheduled for their facility. In addition, upon request, Diamond can provide reference numbers with facility codes and dates, enabling your facility to track packages over the telephone rather than online.

